VZCZCXRO1686 PP RUEHBI RUEHCI DE RUEHBI #0081/01 0391119 ZNR UUUUU ZZH P R 081119Z FEB 07 FM AMCONSUL MUMBAI TO RUEHC/SECSTATE WASHDC PRIORITY 5122 INFO RUEHBI/AMCONSUL MUMBAI 0014 RUEHNE/AMEMBASSY NEW DELHI 6289 RUEHCG/AMCONSUL CHENNAI 1337 RUEHCI/AMCONSUL KOLKATA 1218 RUEHKA/AMEMBASSY DHAKA 0708 RUEHLM/AMEMBASSY COLOMBO 0717 RUEHIL/AMEMBASSY ISLAMABAD 0713 RUEHKT/AMEMBASSY KATHMANDU 0569 RUEAIIA/CIA WASHDC RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RHMFIUU/HQ USCENTCOM MACDILL AFB FL RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC

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TAGS: PGOV PREL PHUM PINR PTER KDEM KISL IN
SUBJECT: SHIV SENA/BJP DEFY EXPECTATIONS, RETAIN CONTROL OF MUMBAI
CITY GOVERNMENT

11. (SBU) Defying nay-sayers, the Shiv Sena/BJP alliance retained

REF: A) MUMBAI 38; B) MUMBAI 39; C) MUMBAI 31

Summary

control of the Mumbai Municipal Corporation in the February 1 elections (ref A). The alliance will return to power with a smaller majority, however. The result cemented Uddhav Thackeray's claim to succeed his aging father and Shiv Sena founder Bal Thackeray as leader of the regional party. The results showed that the Shiv Sena still has a strong grass-roots following and a formidable election machine that gets out the vote. The results will also likely lay to rest any expectation that the Shiv Sena, embroiled in a succession crisis and struggling to stay on message with Mumbai's evolving electorate, will disappear from western India's political scene any time soon. Congress and NCP bickered to the end and failed to join forces in their effort to upend Shiv Sena/BJP, which has ruled the city for the past 14 years. Many Muslim and Dalit voters turned away from Congress, yet attempts to create a "third front" failed as their protest votes were fragmented among many small parties. Attempts to mobilize the middle and wealthier classes, who complain about the appalling state of public life in Mumbai yet don't vote, also failed. As in the past, slum dwellers and other urban poor decided the outcome, while the

city's better off avoided the polls. Nobody expects the poor governance of India's largest city to improve much as a result of the elections, although the economic momentum of the city is so strong that Mumbai will continue to modernize rapidly despite

BJP/Shiv Sena Returns to Power in Mumbai

the lack of good governance.

12. (SBU) The BJP/Shiv Sena alliance has emerged as the winner of the February 1 elections to the Mumbai Municipal Corporation elections. The parties, which have ruled the city for the past 14 years, won 112 of 227 seats. The two parties will create a majority with the support of six independent candidates who pledged their allegiance after the results were published. Congress finished a distant second with 71 seats, and the National Congress Party (NCP) third with 14. Turnout was about 45 percent, a normal figure for the city elections. The

End comment.

alliance also took control of Nagpur from a Congress/NCP coalition.

13. (U) A closer look at the results shows that the Shiv Sena/BJP victory was not all that resounding. The winning alliance has 25 fewer seats in the corporation than in the outgoing government. Congress won 25 percent of the popular vote, followed by Shiv Sena's 21 percent. Together Congress and NCP won 36 percent, whereas the Shiv Sena/BJP alliance won just under 30 percent. The disconnect between votes and seats is largely due to the failure of Congress and NCP to put up a united front against the Sena-BJP alliance. Congress/NCP have a coalition at the state level, yet fielded individual candidates in the city election, splitting their vote to the advantage of Sena and BJP which fielded a joint candidate in each of the voting districts in the city. Such discrepancies between popular vote and seat distribution are not uncommon in India's first-past-the-post parliamentary voting system.

Uddhav: The Big Winner

14. (SBU) Shiv Sena working president Uddhav Thackeray, son and anointed heir to party founder Bal Thackeray, is the big winner in the elections. The younger Thackeray has been routinely criticized, both inside and outside the Shiv Sena, as being detached, uncharismatic and ineffective. His father's bedrock support led to the defection of many of the Sena's most talented leaders in recent years, including party strongman and former state chief minister Nayaran Rane and Thackeray's nephew Raj Thackeray, whom many viewed as the more deserving heir to succeed the aging and ailing Bal Thackeray. During the campaigning, however, Uddhav Thackeray demonstrated hitherto unknown campaigning and organizational skills. The result has solidified his hold on the party and his aspiration to be the

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legitimate political heir to his father.

15. (SBU) The result will also no doubt reinvigorate the Shiv Sena, which has been hit by a succession crisis, high level defections, and an evolving electorate no longer in tune with much of the party's anti-immigrant ideology. Shiv Sena won the vote by mobilizing its core constituency of middle and lower class Marathi speaking voters, and by the support it received from Gujarati and North Indian higher caste Hindu voters who back the BJP and its Hindutva ideology. By most accounts, Gujarat Chief Minister Narendra Modi's campaigning in the city (ref C) did not affect the outcome although most commentators believed it helped the ruling alliance's efforts to reach out to their core constituencies. The desertions of Raj Thackeray and Rane weakened the party's support far less than many observers had expected.

Sena "Goon Squads" Get out the Vote

16. (SBU) The Shiv Sena also resorted to its timed-test strong-arm tactics to get out the vote. Mumbai Police Commissioner A.N. Roy told the Consul General that the party had placed its feared grass-roots cadre -- some observers call them goon squads -- "literally in every lane" to ensure that people went to the polls. (Note: Their work was facilitated by the fact that everyone who votes in India gets an indelible ink marking on their right index finger, a practice aimed at preventing people from voting more than once. End note). Roy said the police expected the worse from the Shiv Sena, as "their survival was at stake." An unprecedented number of officers were present on the streets to prevent violence. In the end the elections were peaceful.

Shiv Sena Bucks Anti-Incumbency Feelings

 $\P$ 7. (SBU) The party managed to buck strong anti-incumbency feelings, as many voters view the existing city government as

incompetent and corrupt. Uddhav Thackeray received wide praise for offering a fresh slate of candidates (he denied tickets to 52 sitting councilors of the Shiv Sena). Thackeray cleansed the candidate list mainly to pay back his closest supporters, yet he and the Shiv Sena astutely sold the action as a move to clean up the corporation.

Congress and NCP Bicker, And Lose

- ¶8. (SBU) Shortly before the election, Congress and NCP abandoned their intention to form a seat-sharing alliance amidst much public bickering. Several contacts told us that the infighting caused Congress/NCP to lose the election. In any case it greatly divided the opposition vote. Both Maharashtra Chief Minister Vilasrao Deshmukh (Congress) and NCP President Nabab Malik publicly admitted that the failure to cooperate splintering the so-called secular or anti-Hindutva vote.
- $\underline{\P}9$ . (SBU) The strife between Congress and the NCP at the local level is not expected to translate into problems between the two parties at either the state or national level. Several contacts have told us that tacticians on both sides were ready to sacrifice the Mumbai elections to higher political purposes. Others said the two parties saw the elections as a side show that has no bearing on their coalition that runs the state government. Many observers believe that Deshmukh, generally considered to be a weak, ineffectual chief minister, fears the rise of Rane, who campaigned vigorously and hoped to use a strong Congress showing to fortify his claim to more leadership responsibility at the state level. According to this logic, Deshmukh allowed a train wreck to happen because it weakened his party rival. The NCP saw advantages to avoiding cooperation in Mumbai so it could battle Congress head-to-head elsewhere in the state. National NCP President and Union Agriculture Minister Sharad Pawar generally avoided the fray in Mumbai, and focused on helping his nephew win a seat in Pune, where the NCP upset Congress and became the single largest party for the first time. None of our contacts believe that Pawar's position is weakened

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because of the Mumbai vote, with some pointing to Pune, closer to his power base, as an example of his ability to wield influence in Maharashtra where and when he chooses to do so.

Congress Loses Support of Many Dalits, Muslims

110. (SBU) Congress also lost the support of many Dalits and Muslims, both traditional vote banks for the party. Voters from both groups had grown increasingly alienated at what they saw was Congress' movement away from their core interests (ref B). A "third front" failed to materialize because the protest vote was frittered away amongst a crowded slate of parties and candidates. The Samajwadi Party (SP), supported by Muslims and the Dalit parties RPI and BSP, won fewer seats than in 2002.

Jury Still Out on Raj Thackeray

¶11. (SBU) The vote marked Raj Thackeray's first foray into an election since forming his own party, the Maharashtra Navnirman Sena (MNS). Most observers felt that his performance was disappointing. He failed to lure many supporters away from the Sena, and his still thin leadership cadre and lack of solid party organization were readily visible during the campaign. Many voters viewed his party as a personality cult devoid of significant ideological substance. Nonetheless, his party did win 7 seats in Mumbai and in city corporations in the key provincial cities of Thane, Nashik, Pune and Nagpur. While few doubt his political talents, most commentators now feel that the jury remains out on his long term political chances.

The Poor Vote As The Rich Complain and Avoid the Polls

112. (SBU) The media gave widespread coverage to the dissatisfaction among the educated middle-classes and richer voters and their growing desire for an city administration that could finally address the appalling state of public life in the city. Several new NGOs tried to animate the city's well-off to vote. In the end, however, it was business as usual as slum dwellers and the lower working classes voted while the better off segments of the city largely ignored the election.

## Comment

113. (SBU) The victorious alliance will return to power somewhat weakened, yet the election showed that the many predictions of Shiv Sena's demise were premature. Uddhav Thackeray emerged as a serious leader who can mobilize and invigorate the party's large grassroots following in Mumbai and other cities of Maharashtra. Nobody realistically expects Uddhav to change the culture of the municipal corporation, however, which has served as a pork barrel for the city's vote bank politics and a source of enrichment for corrupt politicians of all colors. Hence it is unlikely that the governance of the city will improve, which is not good news for India's largest city and its crumbing, outdated infrastructure that cannot support the demand for city services caused by continued inward migration and by rising incomes. Not all is bad for the city, however, as other bodies -- the state government and public agencies -- have a big say in the city's development. In addition, the economic momentum of the city is so strong that it will continue to modernize rapidly despite the lack of good governance. End comment. OWEN